Third woman accuses Lucido of sexual harassment
Alleges touching at trade-group meeting

BY CHAD LIVENGOOD

LANSING — At the Michigan Credit Union League’s annual government affairs conference last May, Melissa Osborn stood at a table in the Radisson Hotel handing out name badges to legislators as they arrived for lunch with credit union executives from across the state.

One veteran male lawmaker who arrived at the downtown Lansing hotel’s second-floor conference center complimented Osborn about her reddish hair.

Osborn, a regulatory affairs specialist for the trade group, thought nothing of it.

About 10 minutes later, Osborn said, she felt a hand on her hip.

It was state Sen. Peter Lucido, she said.

Osborn said she suddenly found herself “uncomfortably” held by the first-term Republican senator from Shelby Township as he started commenting about her red-and-black plaid pencil dress and how it looked on her.

“He was looking at me up and down,” Osborn told Crain’s. “And he stayed there for several minutes, making these comments about my appearance and my look and what he liked about it.”

During the entire interaction, Lucido’s hand remained on what Osborn described as “my lower back/upper butt.”

“He wasn’t cupping my butt, but (his hand) was definitely not really all on my back either,” Osborn said. “It was in a strange spot, like he was toeing the line intentionally but still making me very uncomfortable.”

Osborn, 40, is the third woman who works in Lansing to come forward in the past two weeks and publicly accuse Lucido of workplace sexual harassment in and around the Capitol.

See LUCIDO on Page 21

Women-held board seats at Michigan public companies have hit record highs. By the start of 2020, women held 21 percent of board seats, compared with just 15 percent in 2017.

Michigan’s 77 public companies are keeping pace with the S&P 500. Michigan companies added 121 board members between 2017 and 2019 and 26 percent were women, compared to 30 percent women among the S&P 500, according to a new study released today by Wayne State University for Detroit-based Inforum.

However, that progress is mostly accounted for by heavy pressure from institutional investors demanding more gender equality on boards because research has revealed more gender parity equates to better financial performance.

When it comes to the C-suite, gender parity has further to go. Women comprise only 12 percent of named executive officers — the CEO, CFO and at least the next top three compensated management employees as required to be named in U.S. Securities and Exchange Commission filings — a figure that hasn’t budged in 13 years.

“We’ve seen board numbers (for women) improve as there has been tension placed on board members by institutional investors,” said Terry Berczuk, president and CEO of Inforum. “The new frontier is the talent pipeline. It’s the broken rung. This all starts with the first promotion women don’t get, and we’re seeing the effects of that as it moves through the pipeline.”

See SURVEY on Page 18

Detroit’s three casinos are betting big on sports gambling with expectations for the newly legal activity to generate a fresh customer base and millions in additional revenue.

Even before sports betting became legal in December, MGM Grand Detroit’s 6th millionaire Las Vegas-like sports lounge was open.

The 4,400-square-foot area was packed to the gills for the recent Conor McGregor-Donald Cerrone UFC match.

“They hope by March Madness, we’re hoping to move it along.”

— Mary Kay Bean, Michigan Gaming Control Board spokeswoman

said Louis Theros, legal counsel for MGM. While nobody there bet a legal dime on the 40-second fight, the turnout had operators itching to open their sports book and expand the casino’s dominant share of the Detroit market.

“We think this will bring a tremendous amount of money out of the illegal market,” Theros said. “I think we have a very unique opportunity in Michigan to capitalize. Let’s face it, we’re a sports-crazy community.”

The start is waiting on rules to be finalized. MGM Grand Detroit, Motor City Casino Hotel and Greektown Casino-ino-Hotel are waiting on the Michigan Gaming Control Board’s go ahead. The upcoming NCAA men’s basketball championship tournament, which kicks off March 17, is the launch target.

“They hope by March Madness,” said Mary Kay Bean, Michigan Gaming Control Board spokeswoman. “We’re hoping to move it along.”

The control board said last week that unlike on-site sports gambling, online betting is still about a year away from reality given the greater complexity of the rules needed.

Greektown Casino is putting sports betting at the center of its business — physically, anyway. Penn National Gaming Inc., which in a $1 billion deal bought the casino from Dan Gilbert’s Jack Entertainment LLC last year, is investing upward of $1 million into a temporary sports betting lounge. Greektown General Manager John Drake said.

See BETTING on Page 20

‘Healing center’ aims to put services under one roof.

‘Healing center’ aims to put services under one roof.

FOCUS HEALTH CARE

Insight Institute invests in health care, community in Flint.

‘Healing center’ aims to put services under one roof.
Is Atwater’s sale last of big brewery deals for Michigan?

BY DUSTIN WALSH

Detroit-based Atwater Brewery’s deal last week to sell itself to the largest U.S. brewing company could mark an end to the big purchases, now that most of the largest breweries in the state are owned by large, multinational beer companies.

The companies announced the deal Wednesday for Atwater to be acquired by Molson Coors Beverage Co. Terms of the deal were not disclosed.

Under the agreement, Atwater and all of its assets, including its Detroit and Grand Rapids taprooms as well as its biergarten in Grosse Pointe, will be wholly owned by Molson Coors under its craft beer division Tenth and Blake.

The transaction is expected to close by the last week to sell itself to the largest U.S. brewing company could mark an end to the big purchases, now that most of the largest breweries in the state are owned by large, multinational beer companies.

Atwater owner and CEO Mark Rieth and the Detroit company’s management will continue to lead the brewer under Tenth and Blake.

Under the deal with Molson Coors, Atwater and all of its assets will be wholly owned by its craft beer division Tenth and Blake.

Atwater’s 95 employees will remain in place.

Rieth said he had been in “serious discussions” for a few years about finding a partner to fund expansion of the maker of Dirty Blonde, Vanilla Java Porter and other brews.

“As a regional brand, we wanted to find something that made the most sense for us,” Rieth said. “We could go it alone, talk to private equity to get some capital or look for a strategic partner. That really ramped up over the last six months.”

Rieth said the decision was made after discussing Molson Coors’ ownership with its other craft brands, such as Jacob Leinenku-gel Brewing Co. The Wisconsin brewer sold to Miller Brewing Co. in 1988 and the big brewer kept the family at the helm to run the operations. Through a series of acquisitions and divestitures, Miller Coors is now known as Molson Coors in the U.S.

The largest breweries in Michigan by 2018 sales, self-reported in barrels and calculated out to pints for reader consumption:

- Founders Brewing Co., Grand Rapids: 1.4 million pints
- Bell’s Brewery Inc., Kalamazoo: 1.17 million pints
- Short’s Brewing Co., Bellaire: 1.13 million pints
- New Holland Brewing Co., Holland: 1.04 million pints
- Atwater Brewing Co., Detroit: 0.88 million pints
- Old Nation Co. LLC, Williamston: 0.51 million pints
- Saugatuck Brewing Co., Saugatuck: 0.32 million pints
- Griffin Claw Brewing Co., Birmingham: 0.31 million pints
- Keveenaw Brewing Co., Houghton: 0.3 million pints
- Blackrocks Brewery LLC, Marquette: 0.19 million pints
- Dark Horse Brewing Co., Marshall: 0.19 million pints
- Northern United Brewing Co. (Jolly Pumpkin and North Peak), Dexter: 0.19 million pints

**TREPP RESEARCH**

Regional malls have been battered around the country, ranging from small mom-and-pop shops to major department stores.

In the latest sign of the times for struggling regional malls, the owner of Fairlane Town Center has become delinquent on its $135.7 million loan on the Dearborn mall as well as two others in Virginia and Texas.

New York City-based Trepp LLC, which tracks commercial mortgage-backed securities debt, says that Miami Beach, Fla.-based Starwood Capital Partners Inc. received a two-year extension in November 2017 until last November to pay off the balance of the loan, but failed to do so. Trepp says a debt servicer is processing a second 60-day forbearance period as a loan modification and extension are considered.

Starwood Retail Partners, a division of Starwood Capital Partners, said in a statement emailed Thursday afternoon to Crain’s that it is “actively working to extend and restructure our financing at Fairlane Town Center.”

“In the interim, it is business as usual at the property,” the statement says.

The loan could be transferred to a special servicer, Trepp says.

“In general, the special servicer will try to come up with a resolution or workout strategy to maximize the amount recovered for the lender and CMBS bondholders, whether that’s a loan modification, extension, or injecting extra capital to re-tenant the property, etc.,” said Catherine Liu, a Trepp research associate.

Regional malls have been battered as online retail has claimed brick-and-mortar stores by the thousands around the country, ranging from small mom-and-pop shops to major department stores.

**GLEANERS COMMUNITY FOOD BANK OF SOUTHEASTERN MICHIGAN**

Gleaners looks to tackle hunger through schools

BY SHERRI WELCH

Can ensuring students and families are 100 percent food secure also translate to better educational outcomes and economic stability for families?

A 10-year pilot led by Gleaners Community Food Bank of Southeastern Michigan, the Food Bank Council of Michigan, the Michigan Department of Education and socioeconomic indicators for 100 students — from grades 3-12 — and 100 parents of those students in each city, in the hopes of attracting future funding from the National Institute of Health, Bonelli said.

The education department also hopes to restructure debt

BY KIRK PINHO

In the latest sign of the times for struggling regional malls, the owner of Fairlane Town Center has become delinquent on its $135.7 million loan on the Dearborn mall as well as two others in Virginia and Texas.

New York City-based Trepp LLC, which tracks commercial mortgage-backed securities debt, says that Miami Beach, Fla.-based Starwood Capital Partners Inc. received a two-year extension in November 2017 until last November to pay off the balance of the loan, but failed to do so. Trepp says a debt servicer is processing a second 60-day forbearance period as a loan modification and extension are considered.

Starwood Retail Partners, a division of Starwood Capital Partners, said in a statement emailed Thursday afternoon to Crain’s that it is “actively working to extend and restructure our financing at Fairlane Town Center.”

“In the interim, it is business as usual at the property,” the statement says.

The loan could be transferred to a special servicer, Trepp says.

“In general, the special servicer will try to come up with a resolution or workout strategy to maximize the amount recovered for the lender and CMBS bondholders, whether that’s a loan modification, extension, or injecting extra capital to re-tenant the property, etc.,” said Catherine Liu, a Trepp research associate.

Regional malls have been battered as online retail has claimed brick-and-mortar stores by the thousands around the country, ranging from small mom-and-pop shops to major department stores.
Golzynski stability within the families. “Improvements in the kids and greater academic, health (and) behavioral and enable parents to focus on other for families of students in the district, think it will over time. “

Barclay said that requires inten- sity. You need to make sure you’re looking at all of your immedi- ate pre-management employees, not just the ones you feel most comfort- able around or who look like you.”

Yet it’s unclear if companies will increase the share of women managers weighted for ranking.

In 2007 only 16 percent of board seats held by women. A decade later, in 2017, it was up to 15 percent.

ByKIRK PINHO

Taubman: From zero to majority on the board

In a little over three years, the Taubman Centers Inc. board of di- rectors has gone from being exclu- sively white men to having a major- ity of the seats occupied by women. The board has the largest female representation of any board in the Russell Index 3000, the 3,000 largest public companies in the United States. “Executive compensation research firm Equilar estimates the boards of the Russell Index 3000, the 3,000 largest U.S. traded companies will achieve gender parity in 2034. Dustin Walsh: (313) 446-6042 Twitter: @dustinwulch

Women’s leadership in Michigan top public companies

The percentages of executive officer positions and board seats occupied by women at a selection of Michigan’s largest publicly traded companies, according to data contained in the Wayne State University/inforum report:

Company % Women Executive Officers % Women Directors

Agree Realty Corp. (NYSE:ADC) 0% 11%
Ally Financial Inc. (NYSE:ALLY) 40% 33%
Breweriana Inc. and Manufacturing Holdings Inc. (NYSE:BRW) 20% 29%
Dow Chemical Co. (NYSE:DC) 42% 20%
Erie Insurance Group (NYSE:ERIE) 25% 20%
FirstMerit Corp. (NYSE:FMC) 23% 21%
General Motors Co. (NYSE:GM) 23% 22%
Gentex Corp. (NasdaqGS:GNTX) 40% 28%
Herman Miller Inc (NasdaqGS:MLN) 40% 40%
KeyCorp (NYSE:KC) 42% 35%
Mid America (NasdaqGS:MAA) 25% 22%
Morgan Stanley (NYSE:MS) 22% 18%
National Bancshares Inc. (NasdaqGS:NBI) 40% 40%
PepsiCo Inc. (NYSE:PEP) 23% 23%
Perrigo Co. (NasdaqGS:PRGO) 22% 22%
Pioneer Automotive Group Inc. (NasdaqGS:PGC) 31% 31%
PulteGroup Inc. (NYSE:PHM) 40% 40%
Ralphs Food Discount Stores Inc. (NasdaqGS:RON) 35% 35%
Raytheon Co. (NYSE:RTN) 35% 35%
Sun Communities Inc. (NasdaqGS:SUN) 35% 29%
Taubman Centers Inc. (NYSE:TCO) 56% 56%
TCF Financial (NasdaqGS:TCF) 31% 31%
Whirlpool Corp. (NYSE:WHR) 21% 21%

SOURCE: INFORUM

Privilege and power

Women are still underrepresented on boards of public companies. According to research by the executive compensation research firm Equilar, only 21% of directors on the Russell Index 3000, the 3,000 largest U.S. traded companies are women. But the shift for the Bloomfield Hills-based shopping mall real es- tate investment trust was brought about at least in part by activist investor, Jonathan Litt of Stamford, Conn.-based Land & Build- ing Investment Management LLC, who pushed for more diver- sity on the board.

At the time, it was made of all white men. Today, five of the nine board members are women. There are more women on the board than men for the first time.

The women are Mayree Clark, director since 2018; Janice Fields, director since 2017; Michelle Goldberg, director since 2019; Nancy Killiffe, director since 2019 and Cia Buckley Marakovits, director since 2016.

Another of Litt’s planks was to de-stagger the board elections so that all members are up for election at the same time. For the first time in 2019; Litt led the way, and the board elected the company’s annual shareholder meeting this year, Litt said in a letter to Taub- man Centers shareholders in June.

Only three board members re- mained from before Litt began his proxy fight: Robert Taubman, the company’s chairman, president and CEO and son of founder A. Al- fred Taubman; J.C. Penney Chair- man Ronald Tysoe, a board mem- ber since 2007; and former J.C. Penney Chairman and CEO Myron Ullman III, who has served on the board since 2016 (he also served on the board from 2003-04).

Michael Embler, former chief investment officer of Franklin Mutual Advisers LLC, has been a board member since 2018.

SURVEY

From Page 1

For every 100 men hired or pro- moted to managerial role, only 72 women are promoted or hired to management role, women are more likely to get stuck in entry-level roles, said the 2019 McKinsey Wom- en in the Workplace study.

That creates a shrinking population of women in the pipeline moving up the career ladder. For instance, women hold 48 percent of entry-level jobs, but only 38 percent of manager positions, 34 percent of director jobs, 30 percent of vice president positions and so on.

Of Michigan’s public companies, 50 percent have no women named exec- utives, including large companies like Domino’s Pizza Inc., Ford Motor Co., Lear Corp., Penske Automotive Group Inc. and Taubman Centers Inc. In fact, Domino’s, Penske and Taubman have women executives in their sales, marketing and SEC filings or not, according to the In- forum study.

There are outliers in the other di- rection: 40 percent or more of named executives are women at Ally Finan- cial Inc., the Russell Index 3000’s largest financial services firm, and SpartanNash Co.

If companies promoted or hired women to managerial positions at the same rate as men, U.S. companies would add a million more women to management over the next five years, the McKinsey study said.

McKinsey recommends companies adopt a goal for representation of women among first-level managers, require diversity in candidate pools at that level and put lower-level managers through unconscious bias training.

Barclay said that requires inten- sity. “Making gender parity a top- priority. “

“Critical mass benefits more women overall in the company,” Barclay said. “Intentionality starts at that first promotion. You need to make sure you’re looking at all of your immedi- ate pre-management employees, not just the ones you feel most comfort- able around or who look like you.”

Yet it’s unclear if companies will increase the share of women managers weighted for ranking.

In 2007 only 16 percent of board seats held by women. A decade later, in 2017, it was up to 15 percent.

Women in the district are missing the benefit of having a nourished student who is a learning student,” said Superintendent Robert Livernois. “We want to improve graduation rates, and we want kids to do better academically if they do come to school, with 90 percent qualifying at reduced-price lunch programs at the district, "were picturing a world where kids do better academically if they do come to school, with 90 percent qualifying at reduced-price lunch programs at the district." The Best Food Forward pilot program is helping to bring that to fruition, "and we, as a district, think it will over time. “

But the board knew that needed to be done, and it was our immediate goal to find and attract skilled and experi- enced female directors who could enhance the company’s direction,” said Queen, who is also the chair- man of the board’s nominating and governance committee. “After all, the primary customer/decision maker in our stores is a woman,” she said.

Executive compensation research firm Equilar estimates the boards of the Russell Index 3000, the 3,000 largest U.S. traded companies will achieve gender parity in 2034.

Dustin Walsh: (313) 446-6042 Twitter: @dustinwulch

Livernois and Golzynski volunteering at the school-based pantry, “One of the things we want to do is eliminate stigma and make these pantries as accessible as possible,” she said.

Taste testing

At the same time, new student clubs are launching to engage ele- mentary school students in healthy cooking, taste testing and fitness, while older students and parents are being invited to help develop new ideas and approaches for ensuring that all students get the nutrition they need to succeed in school.

At the time, it was made of all white men. Today, five of the nine board members are women. There are more women on the board than men for the first time.

The women are Mayree Clark, director since 2018; Janice Fields, director since 2017; Michelle Goldberg, director since 2019; Nancy Killiffe, director since 2019 and Cia Buckley Marakovits, director since 2016.

Another of Litt’s planks was to de-stagger the board elections so that all members are up for election at the same time. For the first time in 2019; Litt led the way, and the board elected the company’s annual shareholder meeting this year, Litt said in a letter to Taub- man Centers shareholders in June.

Only three board members re- mained from before Litt began his proxy fight: Robert Taubman, the company’s chairman, president and CEO and son of founder A. Al- fred Taubman; J.C. Penney Chair- man Ronald Tysoe, a board mem- ber since 2007; and former J.C. Penney Chairman and CEO Myron Ullman III, who has served on the board since 2016 (he also served on the board from 2003-04).

Michael Embler, former chief investment officer of Franklin Mutual Advisers LLC, has been a board member since 2018.

Yet now that number has bal- looned to 29 percent in 2020. Why? BlackRock Inc., the world’s largest money manager with stakes in nearly every public company in Michigan, nonthi...